

## Message Text

LIMITED OFFICIAL USE

PAGE 01 SAN JO 02900 150112Z

63

ACTION ARA-20

INFO OCT-01 ADP-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-10 PA-03 RSC-01 PRS-01 SS-15 USIA-15 SY-10

A-01 RSR-01 /101 W

----- 088273

R 142320Z AUG 73

FM AMEMBASSY SAN JOSE

TO SECSTATE WASHDC 4814

INFO AMEMBASSY MANAGUA

LIMITED OFFICIAL USE SAN JOSE 2900

E.O. 11652: N/A

TAGS: PFOR

SUBJ: SAN JOSE NEWSPAPER LINKS AMBASSADOR

SHELTON AND WATERGATE

1. EL DIARIO DE COSTA RICA, A SOMETIMES SENSATIONALIST MORNING DAILY, RAN A FULL-PAGE STORY ON ITS COMMENTARY PAGE AUGUST 14 ENTITLED "IN MANAGUA SHELTON LINKED WITH WATERGATE". AND ALSO CARRIED THE TITLE ON THE FRONT PAGE. THE STORY, RAMBLING AND DISCONNECTED, WAS WRITTEN BY DIARIO'S "SPECIAL CORRESPONDENT" IN MANAGUA AND WAS DESCRIBED AS AN "EXCLUSIVE" BY THE PAPER'S EDITOR. THE ARTICLE STATED THAT OPPOSITION POLITICAL CIRCLES AND JOURNALISTS IN MANAGUA SUSPECT THAT AMBASSADOR SHELTON "MIGHT HAVE HAD, AT LEAST SLIGHTLY, A CONNECTION WITH THE ISSUE (WATERGATE)". THIS SPECULATION APPEARS TO REST ON ALLEGED CONNECTION BETWEEN HOWARD HUGHES, AMBASSADOR SHELTON AND SOMOZA, AND ON TENUOUS LINKS BETWEEN HUGHES AND PERSONS IMPLICATED IN WATERGATE.

2. AMBASSADOR SHELTON IS SAID IN THE STORY TO HAVE KNOWN HUGHES IN THE 1940S WHEN THEY BOTH WORKED IN HOLLYWOOD; LATER, IT GOES ON, THEY WERE BOTH IN THE BAHAMAS WHEN THE AMBASSADOR WAS THE "U.S. CONSUL". THE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 SAN JO 02900 150112Z

STORY SUGGESTS THAT SOMOZA REQUESTED THE NIXON ADMINIS-

TRATION TO NAME AN AMBASSADOR TO NICARAGUA WHO COULD  
SERVE AS A LINK BETWEEN SOMOZA AND HOWARD HUGHES.

3. THE ENTIRE CENTER PART OF THE STORY IS DEVOTED TO  
A MELANGE OF INFORMATION ABOUT MR. LIDDY'S CHECKERED  
BACKGROUND AND ACTIVITIES, BUT WITH NO APPARENT PURPOSE  
OTHER THAN TO SUGGEST LIDDY'S CAPABILITIES AT UNDER-  
HANDLED ACTIVITIES. THE STORY AGAIN PICKS UP THE THEME  
SUGGESTED IN THE TITLE WHEN, REFERENCING JAMES MCCORD AS  
THE SOURCE, LIDDY WAS SAID TO HAVE BEEN INVOLVED IN  
FERRYING TO NICARAGUA DOCUMENTS ABOUT HUGHES' LIFE AND  
BUSINESS WHICH HAD BEEN STOLEN FROM A LAS VEGAS, NEVADA  
NEWSMAN'S SAFE. THE AUTHOR RHETORICALLY ASKED HOW  
"HUGHES, SHELTON, LIDDY, SOMOZA AND NIXON ARE CONNECTED  
IN THE AFFAIR."

4. THERE HAVE BEEN NO PRESS INQUIRIES ON THE STORY AND  
NONE ARE LIKELY GIVEN THE STORY'S HIGHLY SPECULATIVE  
TONE AND POOR LOGIC.

LANE

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 14 AUG 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973SANJO02900  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** SAN JOSE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19730838/aaaabcav.tel  
**Line Count:** 81  
**Locator:** TEXT ON-LINE  
**Office:** ACTION ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 18 JAN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <18-Jan-2002 by thigpegh>; APPROVED <11 FEB 2002 by golinofr>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SAN JOSE NEWSPAPER LINKS AMBASSADOR SHELTON AND WATERGATE  
**TAGS:** PFOR  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005